

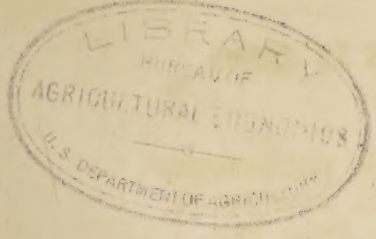
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THE ART AND SCIENCE OF MANAGEMENT
AND
ITS RELATION TO PERSONNEL ADMINISTRATION

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The title of the paper which I was originally asked to present to you was THE ART OF MANAGEMENT AND ITS RELATION TO PERSONNEL ADMINISTRATION. I took the liberty of inserting the word "science" so that it reads THE ART AND SCIENCE OF MANAGEMENT AND ITS RELATION TO PERSONNEL ADMINISTRATION. I realize that I am a bit audacious in using the term "science" within the portals of the Department of Agriculture whose staff is made up of natural scientists. I am well aware that natural scientists look askance at the use of the term science when applied to the social sphere to which obviously management belongs. It seems unnecessary for me to revise the definition of science in a way that would not be generally acceptable in this building. If I am to use it in connection with the processes of management, I consider that science is an organized and systematized body of knowledge which has been derived from experimentation and serves as a basis for prediction. If this be accepted as a working definition, I shall have occasion to point out there are certain branches of management which are taking upon themselves the aspects of the sciences.

In the outline which has been distributed you will note that the subject is approached in a very broad way and indeed much broader than I shall have opportunity to treat it. I wish to use the outline as a setting, planning to elaborate but a limited number of the more important aspects of personnel administration.

In the first place management's business is producing goods and services of a satisfactory character and at the lowest possible cost consistent with the best utilization of the working force, giving due consideration to the fact that the working force consists of human beings. This second aspect of management is one which is all too usually overlooked except among the most enlightened managers whether in private industry or in the public service. When one considers that at the best portion of the waking life of the great majority of our population is spent at the bench, at the machine, or at the desk, one who is alive to the human responsibilities of management must appreciate that the work life should itself become a satisfactory way of life.

This thought has been brought out most clearly by Sidney Webb and those who belong to his school. The former made the statement during the War, I believe, that employers throughout the processes of industry are engaged in producing not alone goods but also human beings. People who do not find satisfaction in their work life are likely to find but little satisfaction elsewhere in their lives. This is a pretty broad charter. It is the only one, however, that can be justifi-

fied unless the position is taken that the working world is apart from rather than a part of our civilization.

Messrs. Tead and Metcalf* have developed the best philosophy of personnel management in keeping with the above general viewpoint that has thus far been advanced. They take the position that the whole man must have an opportunity to realize himself and to find satisfaction in connection with his work and his work environment. They consider first of all man as an economic entity. This means that by means of his work he shall be able to earn enough for maintaining life for himself and family in good seasons and bad, in sickness and health, and even after his failing powers have caused him to retire. Unless earnings from his employment enable him to meet these requirements but little satisfaction can be derived from his work.

Secondly, a man is also a physical being. Dr. Metcalf has taken the position that employment ought to be so organized that a man goes out no worse for wear because of his work. Parenthetically, I would know that those of you who spend their summers in Washington go out much the worse for wear almost every day from June to September.

The employer must see to it that the physical working conditions are consistent with the physical well being of his workers. This means cleanliness and orderliness, proper illumination, comfortable seating facilities, and good fresh air. I recall that during the War I visited a number of factories including one of the Westinghouse plants. An instrument had been installed for measuring the humidity because it was found in setting the coils in the lamps the humidity should be constantly of a proper amount. I need not say that if we had a humidity thermometer in many of the buildings in Washington it would be necessary on many occasions to dismiss the employees because of the all but intolerable atmospheric conditions.

Again in the matter of illumination, if I am not mistaken, thousands of workers working at this moment in government offices in Washington are being subjected to eye strain of which neither their supervisors nor they themselves are aware. In a recent survey made in an office with which I was connected it appeared that the illumination at a point of work was at least 40% below par at each and every desk. It must be apparent that members of a working force constantly subjected to such conditions are not going out from the day's work in as good physical condition as they came to it.

Thirdly, workers are equipped with minds and have a normal impulse to make use of their minds. A few of the more enlightened employers during and after the War made much of the importance of giving the members of their staffs opportunity to use what was called

* See well-known work by these authors entitled Employment Management, published by McGraw-Hill.

the creative instinct, on the ground that a satisfaction could be derived from the exercise of this instinct which was the rightful heritage of the worker to enjoy. Robert Wolfe, a New York engineer, enjoyed a wide consulting practice for a number of years because he was able to devise ways and means of giving workers, even those engaged in mechanical jobs, the opportunity of utilizing this inherent "impulse".

This is probably one of the greatest weaknesses of employment in the government circles as compared with the most enlightened industries. I remember when Franklin Lane left the Interior Department, he commented in sweeping terms on the lack of interest and enthusiasm among government workers such as one found among the employees of some of the more progressive industries. This indictment is not along applicable to the Washington service but with some scattering exceptions to governmental jurisdictions up and down the line. As things now are it is almost suicidal for the majority of persons in public management to express their ideas with regard to the conditions and details of their own work.

Several years ago while making a survey in one of the large offices in Washington, it was proposed by the head of the unit that the employees be taken in partnership. This general proposal led to the organization of a number of suggestion committees. On several occasions I had the opportunity of meeting with a committee consisting of section heads. They brought together a series of suggestions that on their face appeared to be sound and well worth considering. When the suggestions were finally whipped into shape the question was raised as to what was to be done with the memorandum. I proposed that they be passed on to the head of the unit, but the spokesman of the committee begged me not to do this because he and his associates feared that their superiors would look upon the suggestions as criticisms of the way in which the latter were directing the work. Frankly, they feared reprisals. This organization was evidently being carried on according to the theory that the workers, including the section heads, were exclusively the hands and feet of the enterprise while the management was exclusively the brain.

This reminds me of a story told by one of my friends about a man who was called upon to write a paper upon Chinese metaphysics. He looked up the words Chinese and metaphysics in the encyclopedia out of which he concocted the material for his paper. The addition of Chinese to metaphysics fell far short of the desired result. The same thing follows from the divorcement of the rank and file of workers from use of their ideas in connection with their work. They are expected to be the hands and feet while the management supplies the brains. In the best management there is a merging of the ideas of all concerned in the faith that out of such a merger the best interests of the enterprise will be advanced. In these days of large-scale undertakings enlightened employers have come to realize that the success rests not with the two-fisted, heavy-jowled

president who cries out "thus saith the Lord", but with the man who qualifies as a leader capable of both guiding and stimulating the ideas of his associates and subordinates. No business nor government is static. Problems abound on every hand. Solutions come from the merging of ideas to which even the lowest member of the cast may contribute. It is passing strange that the importance of leadership of this type is more appreciated in business circles than it is in the sphere of government.

Our contention here is not alone that the progress of the enterprise, whatever its nature may be, will be furthered by the cooperation of all concerned but also that it is the rightful heritage of human beings to express themselves and to contribute freely to the advancement of the work in which they are engaged.

I am reminded of the statement by Dr. Gilbreth, the time and motion study expert, who after spending several months with a good-sized staff in determining the best possible method of accomplishing the work in a given industrial concern, stated that he never left a job without feeling that if he could spend a little more time on it, he could further perfect the work processes he and his staff recommended. It is with this in mind that emphasis has been placed upon managerial policies which will keep the door open to a flow of suggestions from the working force as to a means of increasing efficiency and permitting the human satisfaction which springs from self-expression and self-realization.

In the second part of the outline I have broken down various responsibilities for management beginning with finances and appropriations, the setting up of plant equipment, the purchase of materials and supplies, the routing of work, handling of personnel, and finally the delivery of the services for which the organization exists, or in private business the profits that are its end goal. This is an analysis of the various functions of management from the start of the plant to the balance sheet which is set up at the end of the year. The point which I wish to emphasize is that apart from a limited number of exceptions the successful conduct of these several functions depends upon the character of the personnel. Whether it is a matter of purchasing supplies, routing work, carrying on the day-by-day routine, the amount and quality of the output depend on the character and attitudes of the working force and the supervisory staff.

This leads to the sweeping generalization that the first and foremost function of management is the handling of personnel. There is no other function which compares in importance to this. There is no one thing which will go further toward increasing profits or increasing the quality and amount of services and goods which are produced than a high level of personnel.

The deduction is inescapable that the chief executive's first and foremost responsibility is the proper handling of his subordinates from the highest to the lowest. One of the great weaknesses in government, making due allowance for exceptions, is that so many who are primarily responsible for administration are inexperienced in administration, and not a few of them are birds of passage coming and going with changes of administration. This explains in considerable part the stagnation that one finds in the conduct of many branches of our public institutions. The lack of administrative leadership at the top is likely to throw the chief burden of responsibility upon chief clerks, who whatever their virtues may be, usually have neither the authority nor the initiative to make personnel management a moving and living thing rather than something static. In addition there are often handicaps due to legislative provisions and the requirements of the Civil Service Commission. It is my firm conviction that if progressive personnel policies are to be adopted, which will make an organization something dynamic rather than static, it will require an understanding and an interest on the part of the executive head such as are comparatively rarely met with in public circles.

Next in importance is the character of the personnel department. It will be found that in most units of government up-to-date personnel policies are notable for their absence. Personnel officials are likely to be busy in carrying on a prescribed routine, largely connected with the securing of appointees from eligible lists submitted by the Civil Service Commission, reviewing payrolls and the like. There are comparatively few such officials who have a broad conception of their function as a staff function which aims to make the work life of the employees a satisfactory way of life. Even though they have such a conception, it is improbable that they enjoy the status and prestige necessary to stimulate and infect the supervisory force with their conception of the implications of this responsibility.

If this is to be achieved, it is obviously necessary that the personnel agent should have the backing and sympathetic understanding of the chief executive. Under such circumstances when the personnel chief comes into the office of an administrator, he will come as a representative of the chief executive. It is not thought that he should come with an order in his hand, but rather that he should seek to win through the merit of his suggestions the understanding and cooperation of those who are administratively responsible for their subordinates.

When Mr. Hays started his Human Relation Division in the Post Office Department in 1920, I was asked to make a survey for him of the employment conditions in the Department. One of the things which struck me was the fact that the Postmaster General had pretty successfully convinced the rank and file workers of their partnership in the enterprise. Committees were organized, suggestions were given due consideration, and many progressive actions were taken. One of

the chief weaknesses in the program was that the Postmaster General had not won the supervisory staff. The success of any such partnership policy will naturally depend upon the thorough-going sympathy and cooperation of the members of the supervisory staff, because finally it is they who practically interpret the personnel policy whatever it may be through their day-by-day contacts with those who constitute the rank and file of workers.

During the War one of my friends was put in charge of, and worked out, a progressive personnel program. This program had the backing of the President and his assistants who determined policies. After a few months, my friend came to realize that his efforts were meeting with no success. On analyzing the matter he estimated that in the course of a month about one million contacts were made between the supervising force and the working force. Ninety percent of these contacts were made by the bosses. They were the men who gave the orders, but they had little understanding of the policy which the top executives were seeking to realize and utterly failed to interpret this policy in their dealings with their subordinates. This led to the adoption of a policy of what has since been called "foremanizing". The goal of this policy was to make each and every one of them a part of the personnel department. This was achieved not through domination from above but through continuous persuasion to the end that the whole organization was permeated with the ideas that originated in the personnel department.

May I illustrate the need of such permeation by reference to the matter of transfers. This is one of the most neglected functions of personnel work in government employment. The current policy may be summed up in the words "once placed, always placed"; "once a misfit, always a misfit". Under proper conditions, the transfer is a method of replacement that if properly handled ^{will} in the long run, make for greater efficiency from the viewpoint of the organization and greater satisfaction from the viewpoint of the individual. As things now are the personnel department is likely to lose all touch with workers who have been assigned to one or another unit, and the supervisory official accepts the person or persons who have been routed to him all too often in the spirit of resignation.

When engaged on the Reclassification Survey in 1919 and 1920 the matter of transfers was investigated and it was found that in number they were almost negligible. One might argue from this that the selection and placement processes were practically perfect. But all too many supervisors testified to the contrary. This spells a faulty personnel policy and one that should serve as a challenge to an administrator who is alive to his responsibility for this important aspect of management. With the aid of an alert personnel division and continuous contacts with those in supervising positions, adjustments might readily be made both within bureaus and departments and between departments that would be advantageous for all concerned.

Let us now turn to a discussion of the techniques which are involved in the administration of personnel. In regard to many of these we have something that approaches scientific treatment. For instance, in the matter of examinations tremendous strides have been made in recent years so that it is now possible to really predict that those selected will have the ability to fill the jobs to which they are assigned. The Research Department of the Federal Civil Service Commission has perfected a number of examinations by means of tests and ratings of those selected in order to determine the effectiveness of the examination processes.

With regard to the classification of positions, methods have been devised which facilitate the operation of almost the whole gamut of employment policies, particularly the adoption of equitable wage standards. However imperfect classification and compensation procedures may be, we can be thankful that at least the worst of the inequities of 15 or 20 years ago are past.

Although one could almost fill a library with reports that have been made on the subject of training, it still remains one of the most neglected features of personnel management in governmental circles. It is truly remarkable that in a country where a fetish is made of education, so little time and thought are being devoted to the training and education of men and women engaged in public employment. This is one of the most important functions of the personnel department. Under proper leadership the total expense of maintaining a first-class personnel unit could be easily compensated for through the savings derived from a well-balanced training program. It is not denied that individual supervisors have here or there taken their responsibility along this line seriously and systematically organized the training of those under their control, but for the most part public employees are expected to learn by doing, which is, of course, an integral part of a good training program, but taken by itself is a very costly way of acquainting workers with their responsibilities. Systematic training for promotion is also a phase that is almost universally neglected. In this respect the government as employer is leagues behind the more progressive private corporations. There is nothing mysterious about the techniques of training. The difficulty is due to the general lack of appreciation of the importance of this aspect of employment management.

Another proper function of the personnel unit is that it should assume responsibility for working conditions. Reference has already been made to inadequate illumination. During Postmaster General Hays' régime a survey was made by the Public Health Service of the working conditions in post offices up and down the country. The report showed that they were well below par in dozens of important post offices with respect to cleanliness, sanitation, illumination, cheerfulness of surroundings, and the like. In 1919 and 1920 a survey was made here in Washington by members of the staff of the Reclassification Commission, and conditions were discovered that, from the point of view of safety, health and the fire hazard, were almost appalling.

conditions that would not have been tolerated by inspectors in the industrial departments of such States as New York, Massachusetts and Pennsylvania. That the Safety First Movement has made no such place for itself in Federal buildings as in industrial plants may be proved by reference to the annual reports of the Employees' Compensation Commission.

Matters of this sort cannot wisely be left to superintendents of buildings. It is not thought that the personnel division itself should become directly responsible for reviewing working conditions, but rather that it should see to it that competent agencies are given this responsibility and systematically carry it out. What with the Public Health Service and the engineers of the Bureau of Standards on the ground there should be no difficulty in securing competent assistance.

Another feature of a sound employment program that is worthy of more systematic attention, is the organization of the working force through some scheme of representation. It is passing strange that Congress has written a law on the statute books which practically requires the organization of workers in private enterprise that they may, through representation, express themselves with regard to the whole range of working conditions. Little cognizance is taken of this movement in most governmental units. When one has to do with large-scale organizations, it is obvious that only by means of a representation scheme of things can the workers enjoy the right of self expression and of participation in the enterprise with which they are identified. We emphasize this - not alone from the point of view of the recognition of rights, but also from the point of view of contributions that might be made to improving standards of efficiency.

Henry Dennison, one of the leaders of the scientific management movement in this country, said at one time of his plant, "we have to reorganize every day". In the interest of such necessary reorganization the plan of representation was adopted that facilitated the generation of ideas and the passing on of ideas for improvements of one sort or another. These proved to be of the greatest value. There is no reason to believe that various bureaus of government are not called upon "to reorganize every day." Surely in this dynamic period in which we are living it would be folly to assume that any agency of government is standing still. There is no better way of mobilizing the brains of one's working force than through a well-recognized channel made possible by freely elected representatives. When government is mandating a kind of democratization of industry, it should set the pace in the conduct of its own affairs rather than bring up the rear of the procession.

There is another phase for which the personnel administrator should make his influence felt, that is in the matter of handling discipline and appeals. We in the United States have lagged far behind certain European countries in formulating the rights of public employees and in giving them official recognition. The right of appeal on

disciplinary actions of whatever sort should be accorded each and every employee, and the assurance given that a properly constituted and entirely competent official body would sit on such cases. This is particularly obligatory on public authorities because the right to strike is specifically or by implication prohibited. Furthermore, the privilege of organization along trade-union lines is looked at askance in many quarters and even shunned by certain classes of civil service. Thus a civil servant stands alone and is solely dependent on the justice or the mercy of his superiors.

As a defense against their own arbitrariness and the danger of hasty or ill-considered action executives might well be interested to work out an administrative code which would guarantee to disciplined workers the right of appeal to a properly constituted agency which would assure a fair and impartial hearing and according to a prescribed procedure. A well-organized personnel division would appropriately play a considerable part in the formulation of the suggested code and in facilitating the handling of appeals, both unofficially and officially.

In conclusion let me say that the end results of successful management of personnel is morale. You may recall that the Army installed a Morale Division during the War and, as I understand it, that Division is still operating. Morale is something of the spirit, something intangible. It is a word that was not in the vocabulary of business men until 1919. From that time until the present you will find that the more enlightened business men consider a high level of morale of their workers to be one of their most valuable assets. Although morale is something of the spirit, it has its roots in all of these matters which we have been discussing, many of which are tangible and many intangible. A human being is a highly sensitive organism. Dirty and drab surroundings, noise, uncongenial superiors, routine work leading to excessive fatigue, are just as likely to undermine the morale of a worker as an inequitable wage and an unduly heavy burden of work.

It would seem as though the government-employer had a much easier task in building up the morale of his force than is the case with private employers. The ultimate goal of government employment is service to the public. On the face of it this has a much greater appeal than when one's ultimate goal is the increasing of profits for absentee stockholders, as is the case in the realm of private employment. The thing which may quicken a man's step, and give rise to a feeling of satisfaction when he gets his work done, is that he is pulling together with a number of like-minded people toward a common and worthwhile goal. If advantage is to be taken of this circumstance that is inherent in government employment, it calls for leadership and not domination, but unfortunately again, allowing for exceptional cases, there seems to be little of this appeal abroad in government circles. As Franklin Lane remarked, "there is everywhere the element of fear ... everyone seems to be afraid of everyone". This

observation is probably not applicable to those agencies which are made up largely of professional and scientific men. One finds here a loyalty, a spirit of cooperation between rank and file and head, a forgetfulness of self interest in interest in the job - all of these things that make for high morale. Under the right sort of leadership something of this same spirit might readily be stimulated in the non-technical staff.

It is my personal belief that there is no more direct and fruitful means of bringing about economy and efficiency than through the development of high-grade moral among public servants. After two years of experience with his Human Relation Division, Will Hays was wont to boast, "I have added the equal of fifty thousand to the working force of the Post Office Department without increasing my roster by one name". He claimed that he had enlisted not alone the hands and feet of the Post Office employees but also their heads and hearts. His appeal was based on the assertion that they were partners in the enterprise. He made it possible for them to air their grievances and to freely make suggestions. He systematically took account of both grievances and suggestions so that the workers might realize that he spoke with conviction when he called them partners.

A successful executive through the aid of a well-manned personnel department can go far in increasing the returns on the appropriations made to him both in terms of output of services and of producing better men and women in the process. To do this he must realize that the primary function of management is the management of personnel and see to it that his aids and assistants in supervisory positions share in this conviction.

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